

OFFICE OF THE CHIEF OF POLICE

SPECIAL ORDER NO. 19

October 2, 2018

SUBJECT: **NON-BUDGETARY FUNDS – REVISED; AND, BOOKKEEPING
SYSTEM – REVISED**

PURPOSE: The purpose of this Order is to revise appropriate manual sections to reflect
current bookkeeping procedures for non-budgetary funds.

PROCEDURE: Attached are the revised Department Manual Sections 3/350.00,
Non-Budgetary Funds, and 3/350.14, *Bookkeeping System*, with the
revisions indicated in italics.

AMENDMENTS: This Order amends Sections 3/350.00 and 3/350.14 of the Department
Manual.

AUDIT RESPONSIBILITY: The Commanding Officer, Audit Division, shall review this
directive and determine whether an audit or inspection shall be conducted in accordance with
Department Manual Section 0/080.30.



MICHEL R. MOORE
Chief of Police

Attachment

DISTRIBUTION "D"

DEPARTMENT MANUAL
VOLUME III
Revised by Special Order No. 19, 2018

350. NON-BUDGETARY FUNDS. Non-budgetary Department funds are those funds established for the control and accounting of monies and other resources obtained *that are not included in the City's budget*. In all reports and statements concerning these funds, the notation non-budgetary shall be made. Unless specifically exempted, all non-budgetary funds shall be administered as set forth in the subsections of *Department Manual Section 3/350*.

350.14 BOOKKEEPING SYSTEM. The chairperson of a non-budgetary Department fund committee shall appoint an accounting officer who shall be responsible for maintaining a bookkeeping system. The accounting officer shall:

- Deposit all currency and checks in a federally insured *checking or savings* account, in the name of the fund *(the Los Angeles Police Federal Credit Union may be used as the financial institution)*;

Exception: A petty cash fund, not to exceed one hundred dollars, may be *established* within the *non-budgetary fund*.

- Record each transaction in *a physical or electronic* journal, listing the date, check number when applicable, source or purpose, the amount received or expended, *and the running account balance*;

Exception: Contributions which consist of services or other resources, on which a monetary value cannot be placed with reasonable accuracy, shall be treated in accordance with *Department Manual Section 3/350.20*.

- Obtain authorization from the fund committee for all disbursements; however, the fund committee may authorize routine disbursements from the petty cash fund without prior approval;
- Account for each disbursement with an itemized receipt, invoice, or voucher, and maintain a file of these documents for *five* years;
- *Checks must be signed by an authorized staff member and countersigned by the chairperson of the fund committee or his or her designee*;
- Make disbursements of less than ten dollars, including tax, from the petty cash fund. Disbursement of ten dollars or more shall be made by check when the fund has a checking account; Expenditures from petty cash shall be accounted for with receipts, invoices, or vouchers;
- Reconcile the fund journal with the fund bank account and petty cash each month and report any discrepancies to the fund committee chairperson; and,
- Complete a Receipts and Disbursements Report, Form 15.47.00, at the end of each month. *Reports shall be kept on file and available at the Area/division for internal or external auditing purposes. One copy of the report shall be forwarded to the Chief Accounting Employee for certification purposes to the Office of Finance. Reports shall be posted in a conspicuous space for review by the fund members.*

Note: *These procedures do not apply to station funds.*